

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2012, Legislative Day No. 20
Resolution No. 92-12

Mrs. Vicki Almond, Chairwoman
By Request of County Executive

By the County Council, November 19, 2012

A RESOLUTION to authorize the County Executive or other authorized administrative official to enter into a written agreement on behalf of the County with Greens at Logan Field Limited Partnership (the “Future Owner”) for the payment of stipulated amounts in lieu of regular real property taxes in order to facilitate the development of an elderly housing project to benefit elderly persons in Baltimore County.

WHEREAS, it is in the best interest of the citizens of Baltimore County to encourage and facilitate the development of affordable housing for elderly persons whose incomes do not exceed 60% of area median income; and

WHEREAS, the Future Owner will acquire a parcel of land located at 3455 Dundalk Avenue in Dundalk, Baltimore County (the “Property”), and will construct one hundred two (102) units of rental housing thereon, for elderly persons whose incomes do not exceed 60% of the median income for the Baltimore metropolitan area; and

WHEREAS, the Future Owner will operate the Property for rental housing for elderly residents pursuant to a Declaration of Covenants between the Owner and the County; and

WHEREAS, Section 7-505, Tax Property Article of the Annotated Code of Maryland provides for a real property tax exemption under certain circumstances, provided that Baltimore

County and the Future Owner enter into a written agreement for the payment of a negotiated amount in lieu of the applicable real property tax;

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND that pursuant to said State statute, it is determined that the Property, together with the Project developed thereon, shall be exempt from real property taxes for the term specified herein; and

BE IT FURTHER RESOLVED, that the County Executive or other authorized administrative official is hereby authorized to enter into a written agreement (the “Agreement”) with the Future Owner on behalf of the County to make the following payments to the County in lieu of paying regular real property taxes:

(a) For the period from the execution of the Agreement and the Declaration of Covenants (the “Effective Date”) until the first December 31 following Substantial Completion (as hereinafter defined), the Future Owner shall pay an amount at the end of each calendar year based upon the assessed value of the land alone (without regard to improvements) and the applicable real property tax rate in effect for such period.

“Substantial Completion” shall be the date upon which certificates for occupancy have been issued for all residential units in the Project.

(b) For the period from the first January 1 following Substantial Completion until the earlier of (i) termination of the Declaration of Covenants, to be recorded among the Land Records of Baltimore County, (ii) a change in the use, or a sale or transfer of the Property by the Future Owner without the prior written consent of Baltimore County, (iii) refinancing of the Project such that it is no longer subject to the Declaration of Covenants, or (iv) default by the Future Owner under the terms of the Agreement (the

“Termination Date”), the Future Owner shall make annual payments in arrears at the end of each calendar year which equal, at a minimum, One Hundred Fifty Dollars (\$150.00) per apartment unit per year (the “Tax Payment”).

(c) The Tax Payment shall increase by two percent (2%) annually following the first full year of operation; provided, however, if the Property is transferred or sold subject to the Declaration of Covenants the Tax Payment shall increase by four percent (4%) annually.

(d) Upon the Termination Date, the Agreement for stipulated payments in lieu of real property taxes shall expire, and the Future Owner shall thereafter pay all real property taxes in full when due.

(e) At no time shall the Future Owner be required to pay more than the full amount of taxes based on the Property’s current assessment.

(f) Repayment shall be made to the County upon any change in use, sale or transfer of the Property without the prior written approval of the County, or upon the refinance of the Project such that it is no longer subject to the Declaration of Covenants, of the difference between the full real estate taxes which would have otherwise been paid based on the assessed value of the Property less the amount of stipulated payments in lieu of taxes remitted to the County under the Agreement. Any payment under this provision shall be limited to the extent of available proceeds after repayment of all debt and other obligations which constitute liens on the Property; and

BE IT FURTHER RESOLVED, that this Resolution shall obligate the Future Owner to submit audited financial statements annually to the Baltimore County Office of Budget and Finance and the Department of Planning within ninety (90) days of the close of the Future

Owner's fiscal year; and

BE IT FURTHER RESOLVED that this Resolution shall take effect from the date of its approval.

Thomas J. Peddicord, Jr.

Secretary, County Council